

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2104

Introduced by

Industry, Business and Labor Committee

(At the request of the Agriculture Commissioner)

1 A BILL for an Act to amend and reenact section 6-09-41 of the North Dakota Century Code,
2 relating to loan guarantees for livestock and dairy farming and related equipment and facilities.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 6-09-41 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **6-09-41. (Effective through June 30, 2009) Livestock loan guarantee program -**
7 **Establishment - Rules.**

- 8 1. The Bank of North Dakota shall establish and administer a ~~livestock~~ loan
9 guarantee program that is designed to expand livestock feeding and dairy farming
10 in this state.
- 11 2. Under the program, the Bank may guarantee a loan made by a bank, a credit
12 union, a savings and loan association, or any other lending institution in this state
13 to the owner of a commercial ~~feedlot that backgrounds or feeds cattle to~~
14 ~~harvest-ready-weight~~ livestock feeding operation or to the owner of a new or
15 expanding dairy operation. In the event of a default, the Bank shall pay to the
16 lender the amount agreed upon, provided that the amount may not exceed
17 eighty-five percent of the principal due the lender at the time the claim is approved.
- 18 3. The Bank shall adopt rules governing additional terms, conditions, and procedures
19 necessary to meet the requirements of this section. ~~The rules must include an~~
20 ~~administrative fee payable to the Bank and must provide that equity requirements~~
21 ~~may not exceed fifteen percent.~~